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THE AGRICULTURAL SITUATION

MAY 1946

A Brief Summary of Economic Conditions

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Commodity Reviews

FOOD SUPPLIES

THIS year's food supplies for the people of the United States are among the most plentiful in over a quarter of a century—only slightly below the all-time record in 1944. Measured on a per-capita basis, civilian consumption in 1946 is now expected to be 10 to 12 percent above the 1935-39 average. Some 3,300 calories per person per day will be available in 1946, compared with a rough average requirement for the United States population of 2,800 calories including moderate kitchen waste. And these ample food supplies take into account present export commitments of wheat, fats, meat, sugar, and dairy products for foreign-relief purposes.

In contrast to the plentiful supplies in this country, the per-capita world

supply of food in general will average about 15 percent below prewar levels. In Europe the per-capita supply is 20 percent below prewar, with wheat stocks a third smaller than prewar levels. In China, India, and other Asiatic countries, food shortages are acute, with the per-capita supply in many reduced far below prewar levels.

Causes of the world food crisis, in Europe and Asia the worst crisis since the devastation following in the wake of Genghis Khan who tried to conquer the world in the 13th century, are manifold. War-disrupted transportation facilities, particularly in many industrial countries, make the difficulties all the more acute. And then added to these critical problems is the meager production in several important food producing countries during the past year or two, largely the result

of drought and other natural causes. Europe, North Africa, and the Southern Hemisphere have had extremely short wheat crops, the Far East small rice crops, and the world generally has had a drastically reduced production of fats, oils, meats, and sugar.

Even with large shipments of grain and other foods from countries having surpluses for export, a half billion people in Europe, India, China and other countries face increasingly serious food shortages at least till this year's crops are harvested. And the food crisis is likely to continue to be acute in many areas well into 1947. Scarcities of seed, fertilizer, farm machinery, and draft animals darken the prospects for the critically needed bountiful harvest this year in many war-torn regions. Thus large food imports for relief purposes in many countries are in prospect for 1947.

The foodstuffs most urgently needed now are cereals, fats, oils, meats, and sugar. Without them millions of people will starve or be deformed by prolonged hunger. If extreme hunger is allowed to persist or spread, it will increase the size of occupation forces required in Axis countries and may weaken or overthrow the governments of many of the United Nations.

WHEAT

WHEAT moved from farms at a record rate during the first quarter of this year and by April 1—date of the latest quarterly report—farm stocks were the smallest since 1941 despite the record wheat crop last year.

Several new measures were put into effect in April in an effort to get every bushel possible off of farms before the new crop is harvested, and so reduce the number of people in Europe and Asia who will die of starvation this spring. Most important of these measures are the 30-cent-a-bushel bonus on wheat delivered to the Government by May 25, and the limitation of use of wheat for food in this country to

75 percent of the amount available at this time last year. If these measures are successful in meeting this country's promises to help reduce starvation, they will pull down the July 1 wheat carry-over in this country to less than 100 million bushels.

Wheat farmers probably will start harvesting earlier than usual this year because of the warm weather in early spring in the main wheat areas. And the 1946 crop may be the fourth in history to exceed a billion bushels. But the crop cannot be too large to meet needs for food throughout the world.

Wheat-harvesting operations in general may be less tight than during the war. Farmers now have more combines than in any previous year. On January 1, 1945, there were nearly 330,000 on farms, with three-quarters bought after 1939, and more combines were manufactured from last July to March of this year than for the same period in any recent year. Production since March 1, however, has been drastically curtailed because of material shortages and labor difficulties. Though most farmers have fewer horses and mules there are more tractors on farms than ever before so that ample drawbar power is expected to be available for this year's wheat crop.

Harvest labor is likely to be a little more plentiful than in 1945, but wheat producers will probably have to pay higher wages than last season. Seasonal laborers are showing up earlier and in larger numbers than last year. Veterans are beginning to return to wheat farms, some as operating partners or managers and some as laborers. As they will tend to replace older and less able-bodied workers, wheat producers should find some improvement in harvest output per worker.

LIVESTOCK

CATTLEMEN, both on the range and in feedlots, will continue to market large numbers of animals this year, but total slaughter in 1946

may fall below the record 1945 output. Cattle have been going through Federally inspected slaughter in much smaller numbers than last year, but noninspected slaughter has been large.

Corn Belt cattlemen, faced with relatively high prices for feeder cattle together with higher feed costs and soft corn problems, had reduced the number of cattle in feed lots by April 1 to 17 percent below a year earlier. Because of this reduced number as well as feed shortages, feeders will sell considerably fewer feed cattle during the balance of 1946 than they did a year ago.

Farmers are now marketing some 12 percent more hogs, from their fall pig crop, than they did in 1945. This increase, plus present prospects favoring earlier marketings and lighter weights than last year, should keep hog marketings above 1945 during all of 1946.

Sheep ranchers and feeders will operate at levels this year well below those of 1945 chiefly because of the sharp decline in last year's lamb crop. Lamb production and slaughter both will be smaller during the balance of 1946 than a year earlier.

Farmers may delay putting cattle on feed and may plan a smaller fall pig crop because of the prospects of very low feed inventories this summer and early fall. Furthermore their fall and winter operations will depend more than in recent years on the outcome of this season's feed crops and the size of feed inventories after harvest. Grain production is now expected to be large but the output of high-protein feeds may be smaller than last year as indicated by prospective acreage plantings of soybeans 12 percent smaller than last year and peanuts 5 percent smaller.

Although livestock producers are expected to keep 1946 meat production close to the near-record output of 1945, supplies are now believed to be 15 to 20 percent less than demand at present prices. Thus meat animal prices to

producers for the remainder of 1946 are not expected to fall off from current high levels.

Relief shipments have been the largest proportion of United States meat exports to Europe, though commercial shipments to France, United Kingdom, Belgium, and the Netherlands have been sizable. Total exports this year are expected to be larger than in 1945.

DAIRY PRODUCTS

DAIRYMEN are continuing to feed their cows at very heavy rates, despite difficulty in obtaining feed, and many have been able to use pastures much earlier than usual. As a result, average milk production per cow on April 1 was a new high for that date. But total milk production was and is expected to continue below last year's record level because there are fewer milk cows on farms. Some producers will continue to have difficulty in obtaining all the concentrates they want, at least till new crop grain becomes available. However, dairy farms generally are not likely to cull their herds any more heavily than last year.

Feed prices for the balance of 1946 will average higher than a year earlier, but should be offset by bigger milk checks, either from larger subsidy payments or increased prices for dairy products.

Farmers will continue to have some difficulty in getting all the labor they need, but present prospects point to some easing in last year's tight supply situation.

Milk producers should have no difficulty in marketing all their milk at good prices even during the flush production season. Total demand for milk will be at a high level throughout 1946. In the coming weeks producers will come closer to meeting the civilian demand for fluid milk than they have for some time, but will still fall short of the demand for butter.

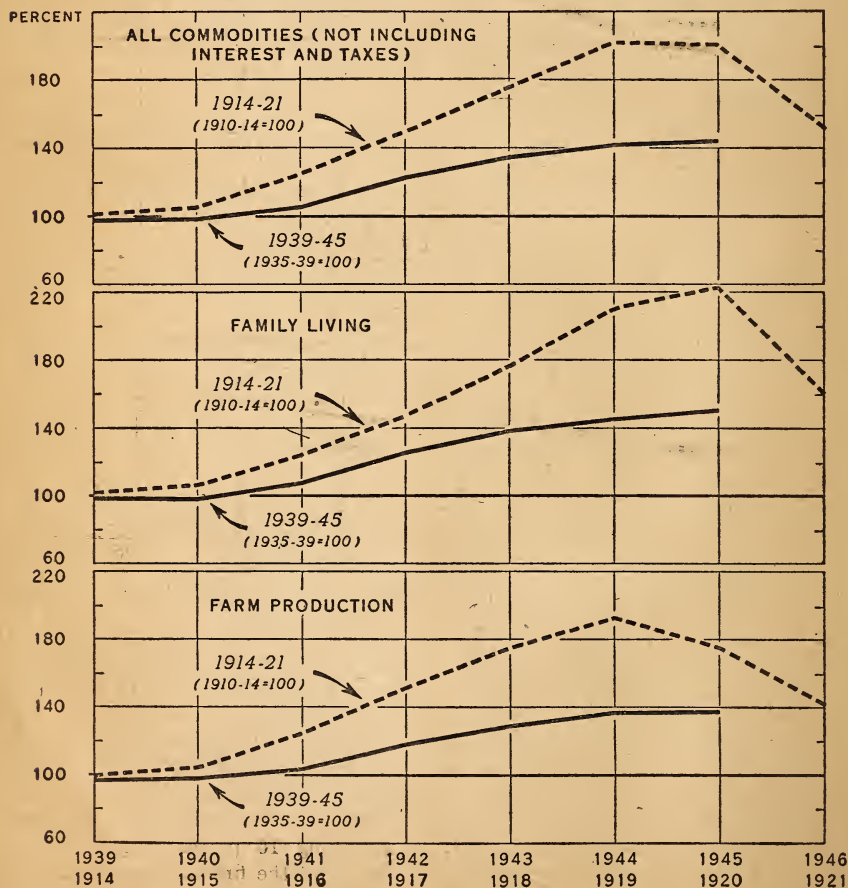
Prices Paid by Farmers During Two Wars

SHARP wartime price rises continuing into the period immediately afterwards then followed by a drastic slump, has been the pattern during and after every major American war. But during World War II, Government measures to prevent inflation and its attendant evils have been and are now being given a trial in the United States for the first time in history. What, then, happened to local market prices, particularly prices

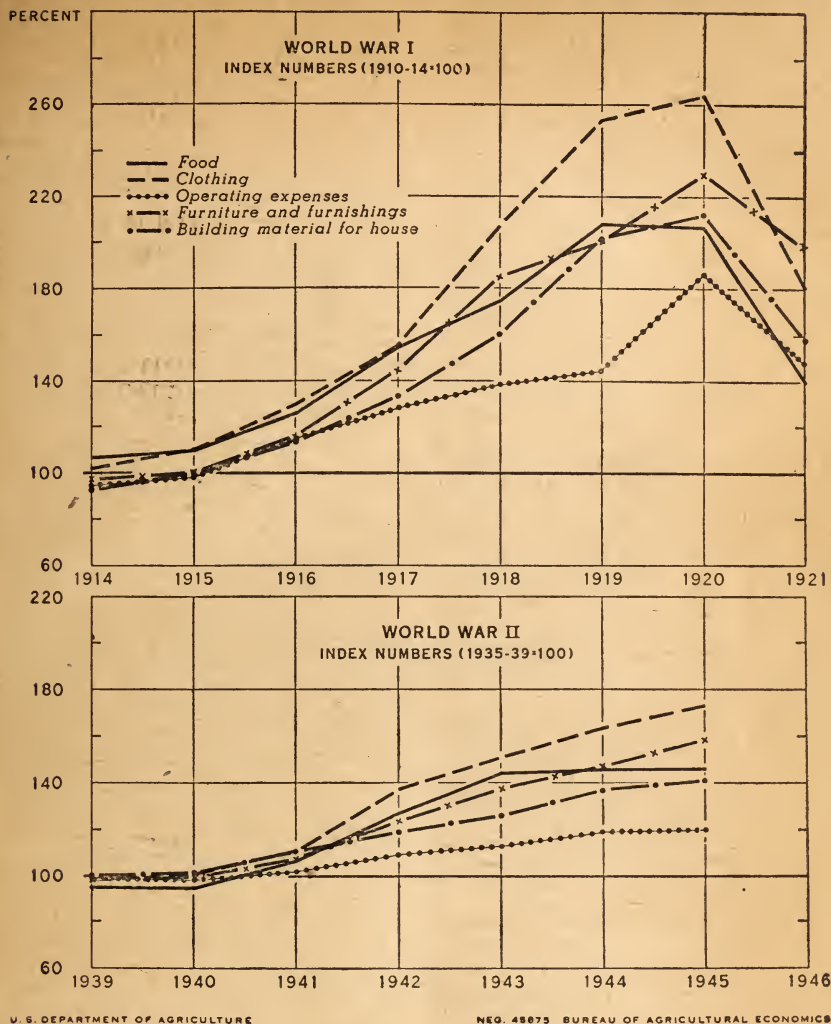
paid by farmers during the war just ended and during World War I?

To begin with, the prices farmers pay for the things they buy are generally more stable than the prices they receive for the things they sell. From 1914 to 1919 and from 1939 to 1945, the general level of prices received by farmers increased about the same—113 percent. In contrast, the index of prices paid by farmers for commodities, interest and taxes, gen-

PRICES PAID BY FARMERS FOR ALL COMMODITIES, FOR FAMILY LIVING, AND FOR FARM PRODUCTION, UNITED STATES, 1914-21 AND 1939-45



PRICES PAID BY FARMERS FOR GROUPS OF COMMODITIES USED
FOR FAMILY LIVING, UNITED STATES, 1914-21 AND 1939-45



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erally called the parity index, rose 93 percent from 1914 to the peak in 1920, and only 40 percent from 1939 to 1945.

Relatively greater increases in prices received than in prices paid raised the ratio of prices received to prices paid (the parity ratio) to 118 in 1917, using 1910-14 as the base period. In other words, the purchasing power of farm products, with respect to prices paid

for commodities, and interest and taxes payable per acre was 18 percent greater in 1917 than in 1910-14. After dropping below 100 in 1920 and continuing below parity till 1942, the parity ratio reached a World War II peak of 23 percent above parity in April 1943 and is still well above, averaging, 16 percent higher during 1945 and the first quarter of 1946.

Prices paid by farmers for commodi-

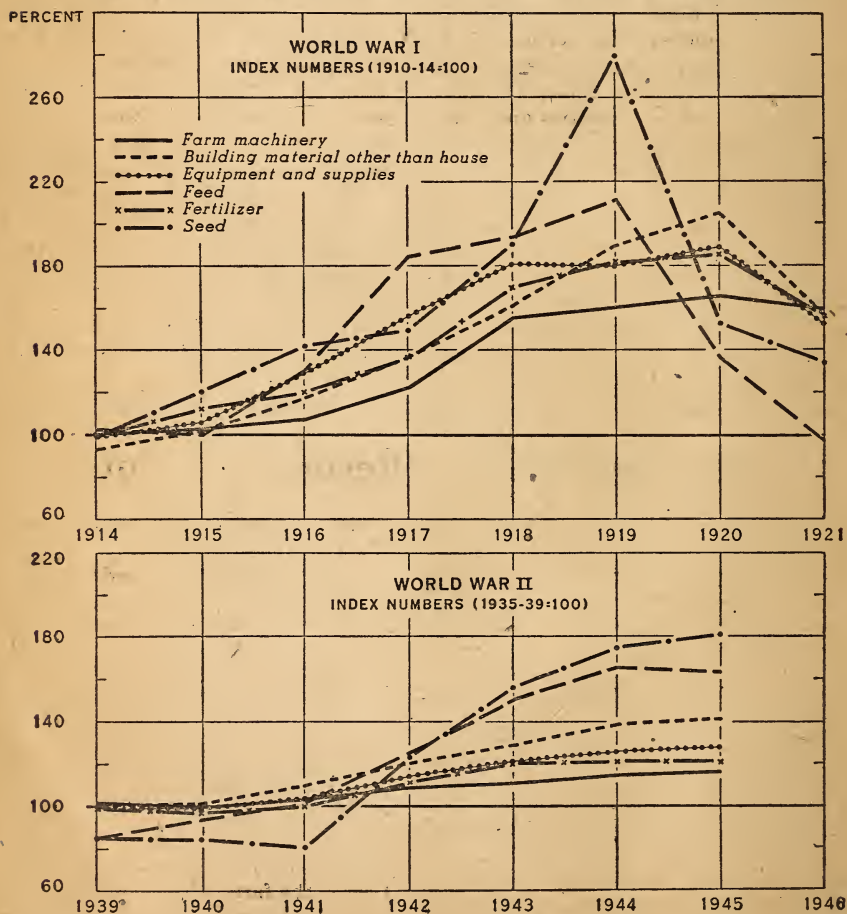
ties, which make up about six-sevenths of the parity index, increased less than half as much during the second World War as during the first. From 1939 to 1945 they increased 49 percent compared to 102 percent from 1914 to 1919. And despite the fact that the level of commodity prices at the beginning of World War II was 21 percent higher than at the beginning of the first war, in 1945 it was 11 percent below the peak reached in 1919. Price control programs, practically nonexistent during the first war, are

largely responsible for the smaller increase so far during the second period.

Prices farmers paid for commodities used for family living increased more during both war periods than did prices they paid for commodities used in farm production. The greater increase in the family living price level largely results from a lack of standardization of clothing and other items used in the home, making it more difficult to control prices for such items.

During both war periods price increases among the family living com-

PRICES PAID BY FARMERS FOR GROUPS OF COMMODITIES USED FOR FARM PRODUCTION, UNITED STATES, 1914-21 AND 1939-45



modities were greatest for clothing and furniture, but lowest for operating expenses (fuel, toilet goods, laundry articles, motor supplies, etc.). Food ranked third in amount of increase from 1939 to 1945 and also from 1914 to 1919, but declined slightly in 1920 while building material prices continued to rise. By 1921 prices for all these commodities had dropped sharply.

Great similarity in the price rises during the two war periods is also very evident among the groups of commodities used in farm production, though the advances were substantially greater during the first. During both periods seed prices advanced the most, with prices for feed, building materials, equipment and supplies, fertilizer and farm machinery increasing less, in the order named. Here, again, the last three groups of commodities are more standardized and their prices held much better under the price control program.

The year-to-year changes in prices of some of the farm production commodities varied during the two war periods. Practically every group showed sizable price increases from 1914 to 1916 whereas price advances from 1939 to 1941 were relatively small, with seed prices declining in

1941. In the first war, seed and feed prices reached their peak in 1919 and dropped sharply in 1920, while other groups continued to rise in 1920 and did not drop till 1921. In the second war feed prices averaged slightly less in 1945 than in 1944 while fertilizer prices continued at the same level for both years. Prices of all other farm production commodities continued to rise from 1941 to 1945.

About one-fourth of the increase in prices paid by farmers during the first war period occurred after the end of hostilities late in 1918. Currently the supply of clothing, machinery and other items used by farmers is not sufficient to meet the demand at ceiling prices. As a result any revision of price controls to hasten conversion of some industries to a peacetime basis or to increase production of other industries is likely to cause further price increases for the products of these industries. So far since the second war ended the index of prices paid by farmers for commodities has increased at a rate of about a point a month, from 180 percent (of the 1910-14 average) last August to 188 percent in April 1946.

RONALD E. JOHNSON

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Farm Output: War Record and Future

DURING the war new production records were established for nearly all crop and livestock enterprises in the United States. At the end of each year after 1941, more milk, more meat, more poultry, more eggs, more soybeans, more peanuts, more beans, more peas—in short, more total food—was produced than in any of the last five prewar years. By 1944, and again in 1945, farm output was nearly 30 percent more than the 1935-39 prewar average and one-half more than in

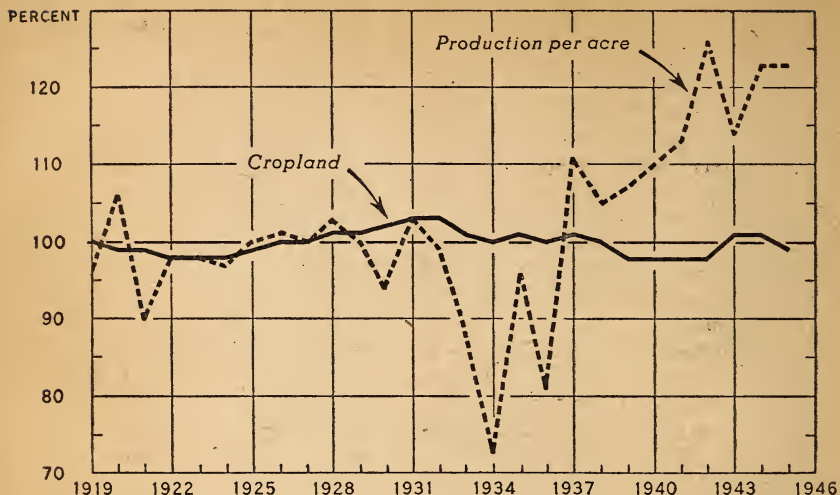
1919, the first full peace year after World War I.

This production record is even more remarkable when measured in terms of crop acreages and number of farm workers. There were about the same number of acres in cropland as before the war and during the first world war. By the end of this war there were about ten percent fewer farm workers than before the war and at the end of hostilities farm output per worker was 40 percent more than in 1935-39, yet an increasing proportion of the farm labor force was made up of women, children, and older men as the war progressed.

NOTE.—This summary is based on the recent BAE report *Farm Production in War and Peace* prepared by the author and Martin R. Cooper.—Editor.

TOTAL CROPLAND, AND CROP PRODUCTION PER ACRE, UNITED STATES, 1919-45*

INDEX NUMBERS (1935-39=100)



DATA FOR 1944 AND 1945 ARE PRELIMINARY

* TOTAL CROPLAND IS THE SUM OF THE ESTIMATED ACREAGE OF LAND FROM WHICH ONE OR MORE CROPS WERE HARVESTED PLUS ESTIMATED CROP FAILURE AND SUMMER FALLOW ACREAGE.

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About half of the expanded war-time output resulted directly from increased crop production per acre, and the increase in feed grain and hay yields was the chief factor permitting the phenomenal expansion in livestock production. While total land used for crops increased very little during the war period, crop production per acre jumped almost a fourth.

The single most important factor causing the increased war production was favorable weather which not only increased yields but also reduced the acreage of crop failures. But, after allowing for both direct and indirect effects on production of crops and livestock, it is safe to conclude that not over 25 to 30 percent of the total production increase can be attributed to the favorable wartime weather. Thus, two-thirds to three-fourths of the increase was the result of man-controlled and technological factors. And these gains cannot only be made permanent but can be increased in the years ahead.

Chief among the man-controlled factors causing the expanded wartime crop production was the increased use of fertilizer and lime. The combined effects of the wider use of improved varieties of seed such as hybrid corn, and the benefits from soil improvement practices about equalled the importance of fertilizer and lime.

The expanded livestock production was made possible largely by greatly increased feed and hay yields, extensive use of prewar feed reserves and substantial feed imports. In addition, the continuing downward trend in horse and mule numbers during the war released significant quantities of feed and pasture and made possible further expansion in livestock production for human use.

Mechanization was stimulated during the war and helped hold the increase in man-hour labor requirements of farm production to less than 5 percent above prewar, by decreasing the labor requirements per unit of production. Numbers of many labor-

saving machines increased during the war and fuller use was made of all labor-saving machines. Increased crop production per acre was responsible for much of the decrease in unit labor requirements. Greater yields add little to preharvest labor requirements, and harvest labor requirements of many crops are not increased proportionately when yields increase. Also shifts to less labor-intensive crop and livestock enterprises and labor economies resulting from larger operations contributed to reduced man-hour requirements per unit of production.

But even so, fewer and less physically capable workers had a larger wartime job to do on farms. This meant more hours per day, more days per week and more weeks per year for regular workers, and more complete and efficient use of seasonal workers. And some farm tasks were slighted or eliminated.

Had more labor been available on farms, many critical jobs could have been done at the most opportune time resulting in even greater production.

With wartime restrictions removed, farm production for human use is

likely to continue its increase stimulated by the war and could easily be 10 percent greater a decade hence, assuming average weather, reasonably full employment, and adequate market outlets.

Some net increase in cropland through irrigation, drainage and clearing of new land is highly probable. Continued increases in crop production per acre seem likely, through further development and use of better crop varieties as well as increased use of fertilizer and lime. Livestock production for human use will increase through a continuation of better breeding, reduced death losses, and a continued diversion of feed as horse and mule numbers decline.

Further mechanization and other labor-saving technological gains are practically certain, thus continuing the long-time downward trend in farm employment. But, with increases in farm worker efficiency and with a larger proportion of able-bodied workers than in recent years, farm families will not have to work as hard or long as they did during the war.

GLEN T. BARTON

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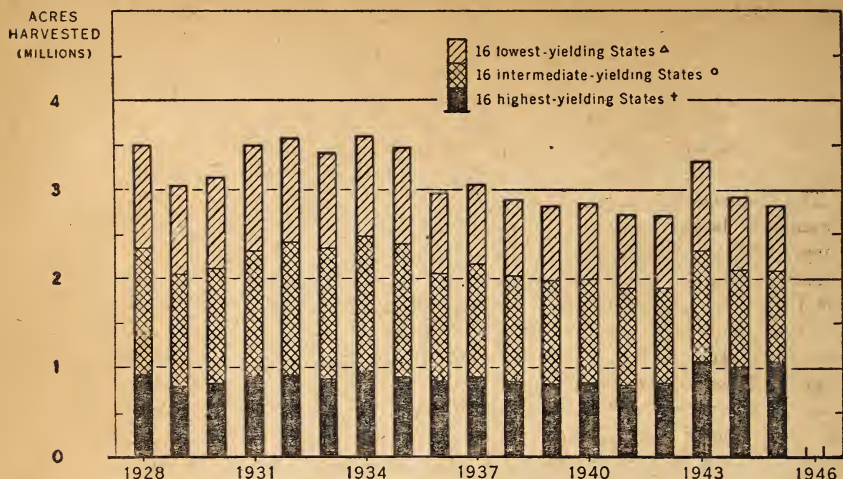
Changes in Potato Acreages

LAST year's potato crop of 425 million bushels has been exceeded only twice, 427 million bushels in 1928 and 465 million in 1943. But the 1945 crop was produced on only four-fifths the 1928 acreage, yet the production was nearly as much. The reason lies in the 1945 yield of 150.6 bushels per acre, a record high.

During the past two decades potato yields have been steadily increasing, partly the result of greater use of fertilizer, wider use of higher yielding varieties of seed, improved cultural practices, and partly the result of significant acreage shifts to higher-yielding commercial production areas. And this acreage shift was accentuated during the war.

In an attempt to visualize the extent of these acreage shifts the States can be classified in three groups of 16 States each, one group being the highest yielding States, the second being the intermediate yielding and the third the lowest yielding, all based on 10-year (1936-45) average yields. Because potatoes grow best where summer temperatures are relatively low and where the water supply is sufficient to keep the plants in active growth throughout the season, the highest yielding States are located in the northeastern and western parts of the country. The accompanying charts show the changes in acreage and production from 1928 to 1945 in the three groups of States.

ACREAGE OF POTATOES HARVESTED, 1928-45, UNITED STATES AND 16 HIGHEST, INTERMEDIATE, AND LOWEST-YIELDING GROUPS* OF STATES



* STATES GROUPED AND ARRANGED IN DECREASING ORDER ACCORDING TO 10-YEAR (1936-45) AVERAGE YIELD PER HARVESTED ACRE

▲ W. VA., MINN., KANS., DEL., ILL., WIS., KY., N. MEX., ARK., TEX., TENN., OKLA., S. DAK., MISS., GA., AND LA.

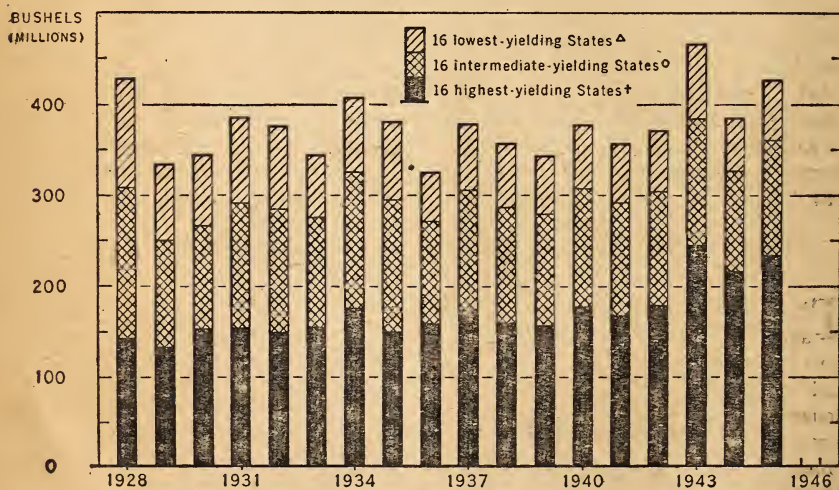
○ WYO., NEBR., FLA., PA., VA., N. DAK., IND., S. C., MONT., MD., OHIO, MICH., N. C., IOWA, MO., AND ALA.

* CALIF., MAINE, IDAHO, WASH., OREG., R. I., COLO., NEV., N. J., CONN., ARIZ., UTAH, N. H., MASS., N. Y., AND VT.

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PRODUCTION OF POTATOES, 1928-45, UNITED STATES AND 16 HIGHEST, INTERMEDIATE, AND LOWEST-YIELDING GROUPS* OF STATES



* STATES GROUPED AND ARRANGED IN DECREASING ORDER ACCORDING TO 10-YEAR (1936-45) AVERAGE YIELD PER HARVESTED ACRE

▲ W. VA., MINN., KANS., DEL., ILL., WIS., KY., N. MEX., ARK., TEX., TENN., OKLA., S. DAK., MISS., GA., AND LA.

○ WYO., NEBR., FLA., PA., VA., N. DAK., IND., S. C., MONT., MD., OHIO, MICH., N. C., IOWA, MO., AND ALA.

* CALIF., MAINE, IDAHO, WASH., OREG., R. I., COLO., NEV., N. J., CONN., ARIZ., UTAH, N. H., MASS., N. Y., AND VT.

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Although the total potato acreage for the Nation has been declining since 1928, there are definite upward trends in 10 out of the 16 highest yielding States. And outside this group, acreage trends are definitely upward in North Dakota, Alabama, Texas, Mississippi, Georgia, Arkansas and Louisiana.

The increase in the North Dakota acreage is largely in the three Red River Valley counties of Walsh, Pembina and Grand Forks, where the 1944 acreage was almost equal to the total State acreage in 1928 and the production was about a third larger. Most of the increased Alabama plantings are in Baldwin County where an early commercial crop is produced, and part of the increase in Texas is in the Panhandle where commercial production for summer harvest began in 1939.

With the acreage under irrigation, Kern County, California, has witnessed one of the most important potato developments in recent years. The 2,000 acres there in 1929 increased to 55,000 in 1945, and the 1944 output for the county exceeded the total production of each State, except California, Maine, New York, North Dakota, Idaho, and Colorado. Increased plantings in Maine have generally been in Aroostock County—a county which normally produces more potatoes than any State does, except Maine. The

acreage in the high-yielding Klamath basin of Oregon and northern California increased from about 6,000 acres in 1929 to about 26,000 in 1944.

Significant acreage shifts to higher yielding areas have taken place within certain States which have had total acreage declines since 1928. For example, all of the acreage decrease in New York has been up-state, while Long Island, with twice the up-state yields, has had a steady increase in recent years. In 1945 about 40 percent of the State acreage was on Long Island compared with only 18 percent in 1933. Likewise in Nebraska where the total State acreage has been declining sharply, the 1944 acreage in the important Scotts Bluff County was twice the 1929 acreage. Also, in Minnesota about a third of the 1929 acreage was in the Red River Valley, but about half in 1945, yet the total acreage for the State has been declining.

Potato acreages planned for 1946, according to farmers' March 1 intentions, are indicated to be only 2,738,300 acres, the smallest acreage since 1893. But, if average growing conditions prevail and these intentions materialize, a crop between 385 and 390 million bushels is likely, which would be well above the 1934-43 average of 375 million bushels.

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World Competition in Vegetable Oils

THE current world-wide food shortage has tended to obscure the long-time outlook for fats and oils. At the end of hostilities it was generally believed that in a relatively short time low cost vegetable oils from the Philippines, the Netherlands East Indies, Malaya, and other exporting areas would be arriving in the United States and Europe in considerable volume.

NOTE.—This article is a summary of the report, *World Trends in Major Oil Crops*, prepared by the author and recently issued by BAE.—Editor.

However, the recovery in production, processing facilities, and transportation has been slower than was anticipated, even though the long run situation has not been materially affected by present difficulties.

Many of the countries which were heavy exporters of vegetable oil crops before the war may be expected to re-enter the world market with their surplus production during the next few years. The two regions that furnished most of the international competition

Average Yield per Acre of Vegetable Oil from Selected Crops in Specified Areas

Crop	Year	Country or area	Total area in production	Oil yield per acre
			<i>Acres</i>	<i>Pounds</i>
Palm ¹ -----	1936	Netherlands East Indies-----	167, 744	² 2, 503
Coconuts-----	1932	Philippine Islands-----	924, 000	³ 730
Soybeans-----	1944	Illinois-----	3, 470, 000	189
Peanuts-----	1942	North Carolina-----	270, 000	357

¹ The oil palm is at least five years of age and the coconut palm eight years before the production is of commercial importance.

² Includes 200 pounds of palm kernel oil.

³ Only the area of trees in bearing was used in arriving at this average yield. Individual plantation yields of as much as 1200-1400 pounds of oil per acre are not unusual.

before the war were Southeast Asia, and West and Central Africa. Southeast Asia includes principally the Philippines, the Netherlands East Indies and Malaya while West and Central Africa is made up of French, British and Belgian colonies. These two regions supplied more than 80 percent of the increase in the world's net export of vegetable oils between the two five-year periods 1924-28 and 1934-38. They are tropical and appear to have both an absolute and a comparative advantage over the temperate zones in the production of vegetable oils. The yields per acre are very high under the plantation system. Some of the advantages gained through high yields are offset by the cost of transporting the oils to the consuming centers, and by other factors. But even so, palm oil and coconut oil appear to be produced at very great advantage, as indicated in the table.

The production of vegetable oils in the tropics seems capable of much further expansion. This is particularly true of the plantation production system, and practices among the small scale native producers also could be greatly improved.

Despite the inadequacy of available data regarding oil crop production in a number of countries, the world production of the principal vegetable oil crops is estimated to have averaged about 15 million metric tons annually in terms of oil equivalent during the 5-year period 1934-38. Of this production about 30 percent entered world trade.

Among the most prominent of the vegetable oil crops in international trade when measured in terms of oil equivalent were coconut products (with about one-fourth of the total), palm oil, palm kernel oil, peanuts and flaxseed. The last four provided about one-half of the vegetable oil equivalent, which in one form or another entered world trade.

In the accompanying chart average annual production and net export in terms of oil equivalent for several leading oil crops are shown for the five-year period 1934-38, and a projection of the export for a year about 1955 has been indicated for each crop.

The projected data for 1955 are, of course, subject to many uncertainties. They are based on relatively favorable assumptions regarding world prosperity and employment as well as greater freedom of international trade than existed before the war. The estimated increase in the world production of the principal oil crops in 1955 over 1934-38 is about 16 percent, or nearly 2,500 thousand metric tons. The estimated increase in net export is about 21 percent or about 900 thousand metric tons. Both estimates are conservative as compared with the estimated increases of 17 percent in production and 23 percent in net export between the two five-year periods 1924-28 to 1934-38, especially when it is considered that world population has been increasing by about 0.75 percent annually.

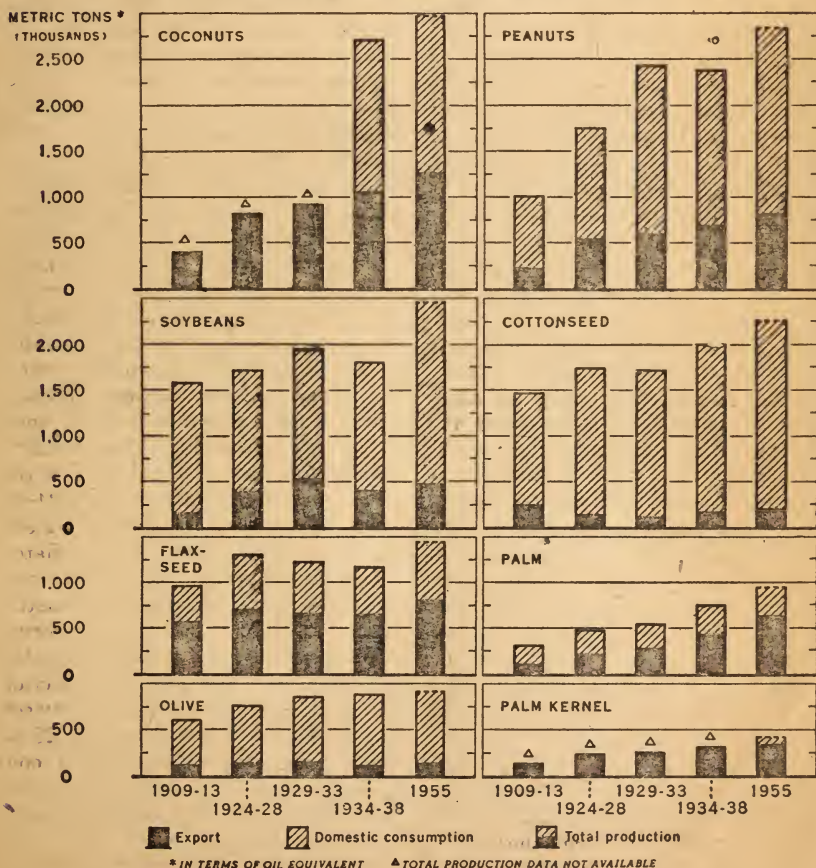
What does an expanded world production of vegetable oils mean to the

United States? If the conversion from war to peace is reasonably prompt around the world and if peaceful relations and a reasonable movement of trade among nations develops, it is quite possible that a very large output of vegetable oils will be needed and consumed even during the next few years when the European buying power will be below prewar levels. The world's population is still growing and many signs point to rapid economic progress in some of the less developed areas of the world. A rising level of living in China, India and the

Soviet Union could bring the consumption of vegetable oils in these countries far above prewar levels. Accordingly, an increase of 21 percent in net world export of vegetable oils over the 1934-38 level by 1955 may be well within the world's consuming capacity.

The average world prices of the vegetable oils may fall somewhat below present levels as the relative proportion of tropical oils entering world trade continues to rise. Such an increase in international trade accompanied as it is likely to be by a

AVERAGE PRODUCTION AND NET EXPORT OF EIGHT MAJOR OIL CROP FROM LEADING PRODUCING COUNTRIES FOR SELECTED PERIODS AND AN ESTIMATE FOR A YEAR ABOUT 1955



rising level of world prosperity and by a high level of employment in the industrialized countries might result in a relatively lower production of vegetable oils in the United States and other countries with temperate climates where greater emphasis would be placed on beef, pork and dairy production—lines of production in which the American and North European farmers hold a comparative advantage which is particularly effective at

high levels of prosperity and employment. Moreover, this would conform with the desired improvement in food habits from the standpoint of a higher nutritional level and with the need for a decrease in intertilled crops in order to conserve agricultural resources.

PETER L. HANSEN

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Strawberry Production Trends

THE March sun had set on the little town of Hammond, Louisiana—strawberry capital of the world—and everyone seemed drawn to the Log Cabin, as if by a magnet. Throughout the day, all up and down the line—Ponchatoula, Hammond, Independence, Tickfaw, Amite, Albany, Denham Springs, Gonzales—the question had been, "Will the first car roll tonight?" And now that the car was loaded and speeding northward, growers, shippers, buyers and plain spectators moved en masse to the Log Cabin, where the carlot was to be auctioned.

As the crowd milled around, the auctioneer mounted the platform and gave a few tentative chants, or cat-calls, to draw attention. Buyers, from all important consuming markets, took their seats and the auctioneer carefully described the car to be sold, from information furnished by the shipper, as to the car number, the number of crates, the brand, the Government grade, etc. After spirited bidding on the part of the competing buyers, the car was announced as sold. The \$4 million dollar strawberry industry of the Nation was well started on another season.

True, a few thousand crates had already moved from Florida during the winter months, but the opening of the March auctions in Louisiana—the only carlot auctions of strawberries in the world—heralds the beginning

of more plentiful supplies throughout spring and early summer.

Fresh strawberries usually are available from December to July, with May the big month. Shipments from Florida, the only State having a winter commercial crop, start in December and continue into April, with January, February and March usually supplying the largest amount. There has been a downward trend in Florida acreage since the peak of 10,600 acres was reached in 1933, and by 1944 only 1,400 acres were harvested. There was some recovery in 1945 and 1946, but it seems very doubtful that the crop will regain the prewar level.

Early spring strawberries, principally from Louisiana, are available from about mid-March until mid-May, with the bulk of the crop harvested in April. This early spring crop group accounted for nearly a fifth of the total prewar average acreage for the year and a slightly larger proportion of production. During the war, acreage was reduced substantially, but since plants in Louisiana are set annually in the fall for the next spring's crop, growers were able to bring the 1946 acreage up to 17,900 acres, only 2,000 acres under the prewar average. A good crop is expected this spring.

In May, the big mid-spring crop goes to market. On an average, nearly a half of the total acreage for the year is grown for mid-spring

harvest. Tennessee and Arkansas are the leading producers in this group but Kentucky, Virginia, Maryland, North Carolina, Missouri, Illinois, Delaware and California also have had substantial acreages. As in the other groups, acreage was reduced greatly during the war years, but growers have planned considerable new acreage, a part of which will come into bearing in 1946.

Approximately 30 percent of the annual acreage has been grown in late spring areas, with Oregon, Washington, and Michigan the principal contributors. June is the month of most active harvest. Although acreage reductions from the prewar average have not been so great for this group as a whole as for the other seasonal groups, nevertheless the acreage is considerably below average. Some increase is expected in 1946 and the 1947 acreage probably will show a further expansion.

The strawberry, native to North America, is like some other American crops, having travelled to Europe and finally returned home. It is now grown in every State in the United States and in every foreign country having a temperate climate. The present day cultivated strawberry originated from two American species, one native to eastern North America and the other to the Pacific Coast. Plant breeders have developed firm varieties adapted to widely different conditions. Today the strawberry will grow from sea level up to more than two-mile elevations in humid and dry regions. The fruit matures at a time when few other fresh fruits are available. These factors account for the world wide distribution of the strawberry.

In the United States some 30-odd varieties are grown but 6 comprise about nine-tenths of the acreage. Blakemore is the leading variety, followed by Howard 17 (Premier), Marshall, Klondike, and Aroma. Most of these varieties have been introduced during the past 55 years. Breeders continue their re-

search in an effort to develop varieties with greater resistance to disease and adverse weather, and with better quality under adverse conditions.

At the conclusion of World War I, about 95,000 acres were devoted to commercial strawberry production in the United States. Thereafter, acreage was expanded rapidly, reaching a peak of 204,000 acres in 1928 and 1929. Following relatively low prices for the large crops of those 2 years, acreage was reduced in 1930 and 1931, but rose to nearly 200,000 acres annually for 1932-34, inclusive. Disastrously low prices in 1932, 1933, and 1934 discouraged growers and by 1937 acreage had dropped to less than 150,000 acres. From that time until 1941 an increase occurred each year, with about 180,000 acres picked in that year.

Labor difficulties attending the recent war brought about sharp acreage reductions and by 1944 the level was below 100,000 acres, the lowest of record. It appears now that 1946 acreage will be expanded considerably though much below the prewar average. With the high prices received for the short crops of recent years, further expansion may be expected.

Although yields per acre have shown considerable variation between years—ranging from a low of 51 crates (24-quart) in 1930 to a high of 81 crates in 1942, no consistent trend upward or downward is apparent, and the long-time production pattern has tended to follow that of the acreage. Prices generally conform to the usual behavior of prices for agricultural products—high for small crops and low for large—with the increases during the past few years being accentuated by a strong wartime demand. Value of the crop rose from about 28 million dollars in 1918 to 45 million in 1927, dropped to a low of 21 million in 1933, and then increased to a high of about 47½ million dollars in 1945.

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Prices of Farm Products

[Estimates of average prices received by farmers at local farm markets based on reports to the Bureau of Agricultural Economics. Average of reports covering the United States weighted according to relative importance of district and State]

Commodity	5-year average		Apr. 15, 1945	Mar. 15, 1946	Apr. 15, 1946	Parity price Apr. 15, 1946
	August 1909- July 1914	January 1935- Decem- ber 1939				
Wheat (bushel).....dollars..	0.884	0.837	1.49	1.58	1.58	1.60
Rice (bushel).....do.....	0.813	0.742	¹ 1.80	1.89	1.89	1.47
Corn (bushel).....do.....	0.642	0.661	1.07	1.14	1.16	1.16
Oats (bushel).....do.....	0.369	0.340	.710	.751	.761	.722
Hay (ton).....do.....	11.87	8.87	16.90	16.30	15.00	21.50
Cotton (pound).....cents.....	12.4	10.34	20.20	22.70	23.59	22.44
Soybeans (bushel).....dollars..	² 0.96	0.954	2.13	2.12	2.14	³ 1.74
Peanuts (pound).....cents.....	4.8	3.55	8.24	8.63	8.69	8.69
Potatoes (bushel).....dollars..	0.697	0.717	¹ 1.75	1.57	1.62	1.32
Apples (bushel).....do.....	0.96	0.90	2.53	3.68	3.81	1.74
Oranges on tree, per box.....do.....	⁴ 1.81	1.11	2.54	2.21	2.49	⁵ 2.14
Hogs (hundredweight).....do.....	7.27	8.38	14.10	14.20	14.20	13.20
Beef cattle (hundredweight).....do.....	5.42	6.56	¹ 13.10	13.10	13.70	9.81
Veal calves (hundredweight).....do.....	6.75	7.80	¹ 13.90	14.10	14.30	12.20
Lambs (hundredweight).....do.....	5.88	7.79	13.90	13.60	14.00	10.60
Butterfat (pound) ⁶cents.....	26.3 ⁷	29.1	50.5	51.2	51.1	⁶ 47.1
Milk, wholesale (100-pound) ⁶dollars..	1.60	1.81	¹ 3.12	3.29	⁷ 3.23	⁶ 2.72
Chickens (pound).....cents.....	11.4	14.9	25.7	23.3	24.3	20.6
Eggs (dozen).....do.....	21.5	21.7	33.0	32.1	31.3	⁶ 32.7
Wool (pound).....do.....	18.3	23.8	¹ 40.7	40.7	41.4	33.1

¹ Revised.

² Comparable base price, August 1909-July 1914.

³ Comparable price computed under section 3 (b) Price Control Act.

⁴ Comparable base price, August 1919-July 1929.

⁵ Does not include dairy production payments made directly to farmers by county AAA offices.

⁶ Adjusted for seasonality.

⁷ Preliminary.

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BUREAU OF AGRICULTURAL ECONOMICS
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